UNDP

UNITED NATIONS DEVELOPMENT PROGRAMME

Distr.
RESTRICTED

DP/GC/AFG/R.1/RECOMMENDATION
30 March 1973

ORIGINAL: ENGLISH

GOVERNING COUNCIL
Sixteenth session
6-28 June 1973
Agenda item 3

COUNTRY AND INTERCOUNTRY PROGRAMMING

UNDP assistance requested by the Government of

AFGHANISTAN

Note by the Administrator

Programme period	IPF for period 1972-1976
1972-1976	$20 million

I. Nature of the programming exercise

1. The formulation of the Afghanistan country programme coincided in the main with the work being carried out by the Government in the preparation of the Fourth Five-Year Development Plan which covers the same quinquennium of 1972-1976. The simultaneous execution of these two activities facilitated co-ordination between them and, in particular, made it possible to ensure that UNDP assistance over the programme period will be consistent with the priorities established in the National Development Plan.

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2. One important development during the programming exercise was the Government's decision to establish a system of annual sectoral reviews to appraise over all programme performance and development priorities in the light of the external and domestic resources available, and to prepare annual plans on the basis of these evaluations. This regular reassessment of development needs and priorities should greatly facilitate the periodic reviews of the country programme and ensure continued harmony between UNDP assistance and national development objectives.

3. Throughout the country programme exercise, close liaison was maintained between the office of the Resident Representative and the Government, primarily the Ministry of Planning. Other personnel of organizations of the United Nations system in Afghanistan also rendered assistance in the formulation of the country programme, as appropriate. The country briefs prepared by the organizations were taken into account by the Government in formulating the country programme. Moreover, a sectoral approach was used in drawing up the country programme and in the early stages of programme formulation several sectoral review and project identification missions were fielded by the various organizations concerned. UNDP headquarters fielded three country programme missions, coinciding with the initial, intermediate and final stages of the exercise.

4. Once the first draft of the country programme had been prepared, a number of meetings was arranged between the Government, the Resident Representative and representatives of bilateral donors to discuss the draft country programme. These meetings were organized on a sectoral basis and made it possible to ensure that the UNDP country programme does not duplicate the programmes of bilateral donors.

5. The primary constraint in the programming exercise was the limitation of the resources available. Almost 60 per cent of the IPF had been committed prior to the programming exercise. The addition of a few large-scale high priority projects requested by the Government has resulted in overprogramming representing 5 per cent of the IPF. Nevertheless, the Government has clearly accepted that actual expenditures during the programme period will be limited to the $20 million IPF established by the Governing Council.

6. The ongoing programme was revieved in the course of the country programme exercise by all parties concerned, resulting in the Government's decision to maintain the programme with only minor adjustments. Similarly, as a further consequence of the country programming exercise, projects pending approval were modified to reflect changes in the Government's priorities.

II. Relation of the country programme to the development plan of the Government

7. The Fourth Five Year National Development Plan forecasts a 4.8 per cent per annum growth of Gross Domestic Product, with a 2 per cent per annum growth in per capita income. A major objective of the Plan is agricultural development so as to obtain self-sufficiency in wheat production by the end of the plan period. Other objectives include a substantial increase in employment opportunities, increased provision of education and health services, improvements in air and road transport, reduction in regional inequality, price stability and an improved balance of payments.

8. In addition to action programmes for specific sectors, the measures proposed by the Government to meet these objectives include the following:

(a) Improved mobilization of domestic resources;

(b) Improved utilization of assistance from external sources;

(c) Improved administrative machinery of the public sector; and

(d) Increased level of investment.

9. The National Development Plan had not been approved by Parliament at the time of the preparation of the country programme. However, as stated above, their simultaneous preparation made it possible to ensure the necessary co-ordination. The Government, in transmitting the country programme to UNDP, emphasized the importance attached to UNDP's assistance and, as a reflection of its integral role in the development effort, the country programme will form an Annex to the National Development Plan.

10. Consonant with the main Government development objectives, the country programme emphasizes assistance to the agricultural sector to which 25 per cent of the programme is allocated. Various ongoing and new projects will provide assistance to such subsectors as water management, animal health and husbandry, livestock production and such infrastructural activities as those provided by the Agricultural Development Bank. The sector for transport and communication which also is a high Government priority for development, is to receive 24 per cent of the programme. The major project activities in this sector are highway maintenance, air transport and telecommunications. In the sector of economic and social planning, which represents 17 per cent of the programme, a large project for $1.5 million is included for assistance in the field of planning. Also, project activities are included which are directly related to the Government's employment promotion priorities. One such project is Rural Public Works, which assists the Provincial Development Department in development of projects using labour intensive techniques. Similarly,

the multipurpose Kunar Development project is also designed, inter alia, to promote employment through the use of such techniques. In the education sector, which represents 14 per cent of the programme, all UNDP assistance is being integrated in a national educational development programme aimed at strengthening the Government's efforts to provide education more closely oriented to development needs at all levels.

III. Content of the country programme according to sectors and subsectors

11. The ongoing programme in Afghanistan has been concentrating its activities mainly in the sectors of agriculture, transport and communication. The priority for agriculture has been maintained in the new programme, while the transport and communication sector has decreased significantly. The programming exercise has resulted in a marked change of emphasis amongst the various sectors, with assistance programmed for education, economic and social planning, and industry increasing markedly in importance. On the other hand, the health sector which in the ongoing programme represents 11 per cent has practically no additional resources programmed. However, the World Health Organization is continuing a number of important health projects under its Regular Programme.

12. Table 1 shows the sectoral changes resulting from the country programming exercise. Table 2 shows a near total concentration of the programme for large-scale projects with only two per cent of the programme allocated for a total of 17 small-scale projects.

Table 1

Sectoral breakdown of on-going and new projects

Sector	On-going projects		New projects		Total	
	Value ($'000)	Per cent	Value ($'000)	Per cent	Value ($'000)	Per cent
Agriculture, forestry and fisheries	2 923	25	2 347	25	5 270	25
Education	1 094	9	1 947	21	3 041	14
General economic and social policy and planning	1 733	14	1 906	21	3 639	17
Health	1 265	11	10	-	1 275	6
Industry	112	1	1 308	14	1 420	7
International trade	30	-	262	3	292	1
Labour, management and employment	78	1	304	3	382	2
Science and technology	522	4	-	-	522	3
Social security and other social services	200	2	-	-	200	1
Transport and communication	3 855	33	1 182	13	5 037	24
Total programmed	11 812	100	9 266	100	21 078	100

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Table 2

Sectoral breakdown by size of project

Sector	Large-scale projects			Small-scale projects		
	No.	Value ($'000)	Per cent	No.	Value ($'000)	Per cent
Agriculture, forestry and fisheries	10	5 152	25	4	118	28
Education	6	2 956	14	3	85	20
General economic and social policy planning	5	3 627	18	2	12	3
Health	5	1 265	6	1	10	2
Industry	3	1 400	7	3	20	5
International trade	1	292	1	-	-	-
Labour, management and employment	1	304	1	3	78	19
Science and technology	1	522	3	-	-	-
Social security and other social services	1	200	1	-	-	-
Transport and communications	5	4 943	24	1	94	23
Total programmed	38	20 661	100	17	417	100

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IV. Utilization of UNDP inputs over the programming period

13. Reference has already been made to the problem presented by the large ongoing commitments in drawing up the country programme. This has led the Government to over-programming of the established IPF and, as will be seen from table 3, has resulted in a front-end loading of the programme. While fully cognizant of the Governing Council's desire to avoid front-end loading, this was found to be inevitable. Also, the Government of Afghanistan found over-programming to be necessary in view of the small remaining part of the IPF resources.

Table 3

Phasing of UNDP inputs over the programming period (1972-1976)

Year	Estimated UNDP inputs ($'000)	Percentage of the planning figure[a/]
1972	6 538	33
1973	6 382	32
1974	4 745	24
1975	2 285	11
1976	1 128	5
Total UNDP inputs in programming period	21 078	105
Reserve projects	5 000	-

a/ The planning figure for 1972-1976 is the approved IPF.

V. Special development problems and needs of the country

14. Afghanistan is included in the list of the 25 least developed of the developing countries. Despite significant inputs of foreign capital and technical assistance over the past decade, economic growth has been modest. Among the more serious development problems of the country are:

(a) The country is landlocked and its topography presents major problems for effective transport and communications;

(b) The population, which is primarily rural and depends on subsistence agriculture, lives in a very traditional and custom-bound social structure;

(c) Recent consecutive periods of drought had very severe effects on the country in general and on rural population in particular;

(d) Although statistical information on the subject is scarce, unemployment and under-employment are considered to be significant problems;

(e) Industry, which in reality in Afghanistan consists of small-scale establishments and handicrafts, accounts for only 12 per cent of the Gross Domestic Product;

(f) The administrative structure and machinery in the country are still not playing their full part in economic and social development;

15. The Government has submitted proposals which would qualify for any additional assistance that may become available within the framework of the special measures for least developed countries, on a selective project basis.

VI. Recommendation of the Administrator

16. In the light of the views expressed above, the Administrator recommends that the Governing Council:

(a) Approve the proposed UNDP country programme for Afghanistan within the limit of its approved indicative planning figure and for the duration of its programme period; and

(b) Authorize the Administrator to proceed with appraisal and approval actions on requests for assistance falling within the outlines of the country programme, and calling for planned expenditures which may be contained within the approved indicative planning figure and the financial resources currently available at any given time.